



UMZIMVUBU
— LOCAL MUNICIPALITY —

FINAL SUBSISTENCE & TRAVELLING POLICY 2026-27

1. Objective

It is essential that representatives of the municipality from time-to-time travel to other cities, countries, and towns to establish and maintain links, and relationships with other municipalities, government bodies, institutions and organizations operating within local government sphere. It is important for representatives to broaden their knowledge and understanding and compare local experiences in local government transformation, innovation and change in the rest of the country, and this may be done through the medium of personal contact with a wide range of local government stakeholders.

The objective of the policy is to set out the basis for the payment of subsistence and travelling costs for officials and councillors travelling either to outlying areas of the Municipality's area of jurisdiction or beyond. Traveling costs are being paid to refund Councillors and officials for either direct costs like taxi fares, petrol, parking, tollgates, etc or indirect costs. Subsistence is also paid to cover direct costs like accommodation, lunch, tea, etc, as well as costs like loss of his/her productivity in his/her private life. This therefore will assist Budget & Treasury department to know exactly what amounts will be payable.

These payments are paid on the return from the meeting/conference/seminar/workshop etc. The Umzimvubu Municipal jurisdiction includes Mt Ayliff and Mount Frere as determined by the Demarcation Board.

2. Legal Requirements

2.1 In terms of section 66 of the Municipal Finance Management Act No. 56 of 2003, the Accounting Officer of the municipality must report to the Council in the format and for the periods prescribed, all expenses relating to staff salaries, allowances, and benefits, separately disclosing (inter alia) travel, subsistence and accommodation allowances paid.

2.2 All subsistence and travel claims paid to representatives will be reflected on their payslip as prescribed by South African Revenue Services (SARS).

3. DEFINITIONS

Councillor: as defined in terms of the Municipal Structures Act (Act 117 of 1998)

Holder of public office: is any member of a municipal council, a member of a provincial House of Traditional Leaders and a member of the Council of Traditional Leaders.

Incidental cost: expenses which are not necessarily incurred in performing the duties of employment whilst away on business (e.g., telephone cost, laundry cost, drinks, tips etc.)

Meals: any food / refreshment that an employee is entitled to whilst on official Council business away from the workplace.

Municipal official: in relation to a municipality or municipal entity, means- a) An employee of a municipality or municipal entity:

- ✓ A person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- ✓ A person contracted by a municipality or municipal entity otherwise than as an employee.

Official duty: approved official council business / activities

Radius: a straight line extending from the centre of a circle to its edge or from the centre of a sphere to its surface.

SARS: South African Revenue Services

Travel: domestic: For purposes of this policy, domestic travel shall mean travel within South Africa

Travel: international: For purposes of this policy, international travel shall mean travel to any country outside South Africa.

Place of work: representative's place of work includes the employer's area of jurisdiction, but he or she may be required to perform other duties or work related to the functions of the employer at other places that may reasonably be required by the employer

4. REPRESENTATION OF THE MUNICIPALITY

In terms of the policy, representation shall mean the following:

4.1 Mayor/Speaker/ Traditional Leaders/Portfolio Councillors and all other councillors

4.2 Municipal Manager/Heads of departments and all other municipal officials.

5.1 RESPONSIBILITIES OF REPRESENTATIVES

- 5.1.1 Every representative who travels on a business of the municipality must comply with this policy.
- 5.1.2 Representatives who travel on the business of the municipality must always appreciate that they are the ambassadors for the municipality, that their actions, conduct and statements must be in the best interest of the municipality, and that they must comply with any specific mandates they have been given.
- 5.1.3 If the trip is cancelled, the representative has a responsibility to report the business trip cancellation as there are costs incurred in preparation for attendance of any business trip.

5.2 ENTITLEMENT TO TRAVELLING AND SUBSISTENCE ALLOWANCE

- 5.2.1 A representative may claim a daily subsistence allowance as provided in this policy on the understanding that all authorized personal expenses are covered by the subsistence allowance. No further expenses, except for certain business expenses such as travel, and accommodation expenses (see below) may be claimed.
- 5.2.2 The subsistence allowance may be claimed only if the necessary authorization for the trip has been obtained, and if the appropriate forms have been completed and submitted by the claimant.
- 5.2.3 Entertainment of external business associates or contacts or clients or potential investors falls outside the scope of the subsistence allowance and will not be reimbursed.
- 5.2.4 Representative of the municipality must claim his/her subsistence allowance as provided in this policy after returning from any official trip.
- 5.2.5 No subsistence allowance will be paid, and no representative will be entitled to a subsistence allowance if the trip or travel is not related to the official business of the municipality.

6.1 ACCOMODATION COSTS AND SUBSISTENCE ALLOWANCE

A subsistence and travel allowance are an amount of money paid by the municipality on behalf of a representative to cover the following expenses:

- 6.1.1 Actual cost of accommodation of which a 3–5-star hotel may be used, B&B's, Guest Houses, Motels etc.
- 6.1.2 Actual costs of food, soft drinks, dinner, breakfast, lunch, and ironing.
- 6.1.3 Actual costs for toll gates, car parking at the airport shall be paid on submission of proof of payment.

- 6.1.4 The cost of meals shall be based on the market related rates as obtained from one food provider to another.
- 6.1.5 Costs of meals shall not exceed the approved amount as per the quotation, voucher issued, and any additional expenses shall be a liability of the representative.
- 6.1.6 Any other costs not included in the quotation voucher shall be treated as private or personal expenses and therefore shall not form part of the municipal account.
- 6.1.7 Tips to any service attendant shall be treated as private or personal expense and therefore shall not form part of municipal account.
- 6.1.8 All accommodation arrangements must, unless it is impractical to do so, be reserved through a travel agent appointed by the municipality.
- 6.1.9 A subsistence allowance does not cover any personal recreation such as visits to cinema, theatres and representatives staying with a friends/relative.
- 6.1.10 Councillors attending District Council meetings will be paid by the District Council according to its policy document.
- 6.1.11 No subsistence costs will be paid to any representative attending any official/business trip if the distance travelled is less than 50km and within the municipal jurisdiction.
- 6.1.12 If an official trip is within 400kms of the municipality, the claim will be forfeited if an indirect route is taken i.e., flying to another centre then driving to the destination, unless the alternate route was taken to attend to official authorized municipal business.
- 6.1.13 If a representative is unable to attend municipal official business due to unforeseen circumstances, he / she should immediately inform the hotel and cancel the booking, failure will result in fruitless and wasteful expenditure and will be recovered from responsible representative.
- 6.1.14 Departmental HODs should approve all requests in cases where representative's accommodation needs to be extended.
- 6.1.15 After office hours bookings should be approved by Chief Finance Officer

6.2 All accommodation costs will be paid by the municipality and the class of accommodation shall be as tabulated in the table below:

Classification	Qualifying persons	Accommodation Approved	Type of Accommodation	Maximum amount
A	Mayor, Speaker, Chief Whip and Municipal Manager	3-5 Star Hotel	Executive/Luxury	R2 550
B	EXCO members HOD's	3-5 Star Hotel	Executive	R2 000
C	All Councillors and Employees	3-5 Star Hotel	Standard	R2 000

6.3 Amount of Subsistence Allowance

- 6.3.1 Where it is necessary to sleep away from home/or absent from their ordinary place of residence for more than 24 hours in connection with municipal business the following shall apply:
- 6.3.2 If a representative stays in a friend's/relative home, no accommodation arrangements shall be made / claimed, but the representative shall claim a subsistence allowance equals to 50 % of the booking amount limited to the maximum of R750.00 per day and no additional or supplementary allowance over and above this amount will be payable, if representative notify the relevant department in advance that no accommodation shall be arranged for her / him.
- 6.3.3 If a representative is Where the accommodation to which the allowance or advance relates is in the Republic, an amount equal to the following is deemed to be expended for each day or part of a day in the period during which the employee is absent from his/her usual place of residence
- Only incidental costs – (SARS Rate)
 - Meals and Incidental costs – (SARS Rate)
- 6.3.4 The subsistence allowance will not be paid if a representative is travelling within the municipal jurisdiction.
- 6.3.5 Subsistence travel claims will be valid for three months after the travel date of travelling.
- 6.3.6 subsistence claims for the month of June of each year, are to be submitted by 10th of July, failure to do so will result in forfeiture of the claim.

6.4 Candidates invited for Interviews

- 6.4.1 No subsistence costs will be paid to any candidate invited for an interview.
- 6.4.2 If the candidate's domicile is more than 100 kilometres from the municipality's offices and the hour set for the interviews is in the late afternoon or evening (i.e. 16h00 or later) his or her accommodation for one night will be arranged by the municipality.
- 6.4.3 If the candidate declines to accept the accommodation arranged and offered by the municipality no moneys in respect of accommodation will be paid to the candidate.

7. Car Rental, Air Travel and Other Travel Costs

7.1 Destinations within the municipal jurisdiction

Representatives travelling officially to destinations within the municipal jurisdiction will be:

- 7.1.1 Officials who are not paid travelling allowance will use municipal vehicles provided by the municipality.
- 7.1.2 Councillors / Officials paid a travelling allowance will use their own/private vehicles.

- 7.1.3 Officials who are claiming for traveling within ULM jurisdiction will use adopted kilometres by the council.
- 7.1.4 Officials who are claiming for traveling within ULM jurisdiction will be re-imbursed at rate of R3.00 per km, capped at 1000 kilometres per month

7.2 Destinations outside the municipal jurisdiction

- 7.2.1 Officials / Councillors who use their own private vehicles to travel outside the municipal jurisdiction, travelling costs will be paid using Department of Transport rates based on the engine capacity of the vehicle.
- 7.2.2 The payment of a fixed monthly travelling allowance shall be terminated/suspended without any period of grace if a municipal official earning a monthly travelling allowance is without possession of a vehicle for a period exceeding three (3) months.
- 7.2.3 Where possible representatives must travel together up to a maximum of four (4) in a vehicle to minimize travelling expenses.
- 7.2.4 The distance to which the reimbursement applies must be the distance between the municipality's offices and the location where the official business is to be transacted.
- 7.2.5 Where public transport is used, the actual cost must be refunded. As taxis do not issue receipts, payments will be refunded on a list of fixed tariffs to be compiled in conjunction with taxi association.
- 7.2.6 A person entitled to claim for reimbursement of transport costs in terms of this policy is required to use any vehicle whose engine capacity does not exceed 5 litres, should a person use a vehicle whose capacity exceeds 5 litres, he/she will be reimbursed at the rate applicable to a 5-litre capacity vehicle.
- 7.2.7 If a representative must utilize his or her personal motor vehicle outside the boundaries demarcated for the municipality he or she will:
 - If he or she does not have a fixed monthly travelling allowance, he/she will be re-imbursed at an applicable rate as prescribed, from time to time, by the South African Revenue Service,
 - If he or she has a fixed monthly travelling allowance, be reimbursed at a flat rate determined by the Department of Transport for privately owned vehicles based on the engine capacity of the vehicle.
- 7.2.8 Officials who are not paid travelling allowance will use municipal vehicles provided by the municipality, buses, and trains as an alternative form of transport.
- 7.2.9 Officials who are not paid travelling allowance may be authorized to use their own private vehicle by the Municipal Manager/his designee to attend

business trips, after verifying whether that a municipal vehicle is not available for use.

7.2.10 Any person receiving a travelling allowance is not entitled to drive/use municipal vehicles as a transport mode unless there is prior authorization by the Municipal Manager under exceptional cases.

7.2.11 Claims that will be submitted for internally hosted functions are to be accompanied by a signed attendance register.

7.3 Air travel and car rental

All domestic airfares and car rentals will be paid by the municipality and the class of travel and rented cars will be as tabulated in the table below:

Classification	Qualifying Persons	Car Rental Class Approved	Air Travel Class Approved
Category A	Mayor Speaker Chief Whip Municipal Manager	Group G-J	Business Class
Category B	Executive Committee Heads of Departments	Group D-F	Business Class
Category C	All Councillors All municipal officials	Group A-C	Economy Class

7.3.1 Neither the Mayor or the Municipal Manager and EXCO Members shall travel on the same flight.

7.3.2 Group L-G (4x4/SUV) category cars may be used where climate, road conditions or distance justifies it, subject to be authorisation by the Municipality Manager/Mayor.

7.3.3 If more than one representative is travelling on the same specific trip, they shall share one rental car for up to four passengers, or if there is a greater number, a microbus will be hired.

7.3.4 Car rental must be approved as part of the travel package before the trip is embarked on.

7.3.5 Reservations for car rentals and air travel shall be made through a travel agent appointed by the municipality for this purpose.

7.3.6 If a representative requires special travel facilities due to such representative suffering from any disability, the Municipal Manager/Mayor

may authorize such additional expenditure as may be required to cover additional costs associated with such special facilities.

8. AUTHORISATION OF TRIPS

8.1 For purposes of implementing this policy:

- 8.1.1 Only the Municipal Manager may authorize any travel to be undertaken by Heads of Departments.
- 8.1.2 Heads of Departments shall authorize travelling trips for Heads of Divisions/Managers and staff in their respective departments.
- 8.1.3 Managers/Heads of Divisions may authorize travelling for the staff members falling within their divisions.
- 8.1.4 Only the Mayor shall authorize business trips for the Municipal Manager
- 8.1.5 Travel by the Mayor shall be authorized by the Municipal Manager on the recommendation of the Speaker.
- 8.1.6 Travel by the Speaker shall be authorized by the Municipal Manager on the recommendation of the mayor.
- 8.1.7 Travel by the Executive Committee members shall be authorized by the Municipal Manager on the recommendation of the mayor.
- 8.1.8 Travel by other councillors / traditional leaders shall be authorized by the Municipal Manager on the recommendation of the Speaker.

8.2 Whenever a councillor / traditional leader / official has been delegated by the municipality in terms of the policy, to attend a meeting/conference/seminar/workshop or related event in or outside the municipal jurisdiction, the following will be applicable:

- 8.2.1 Trip authorization form must be completed for each trip and approved before undertaking any trip.
- 8.2.2 Travel shall be authorized only if provision for such travel is made in the applicable departmental budget.
- 8.2.3 An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event and authorisation must still be obtained.
- 8.2.4 Council delegates or representatives to any conference, workshop or related event must ensure that they attend until the conclusion of such event. If any representative fails to do so, the Mayor/Municipal Manager as the case may be, shall recover all allowances and disbursements paid to enable such representative to attend the event, provided that such delegate or representative is afforded the opportunity to submit reasons for not being able to be present until conclusion of such event.

9. PROCEDURES FOR CLAIMS AND PAYMENT OF CLAIMS

The following procedures should be adhered to when payment of claims are to be affected:

- 9.1.1 For each trip, a claim form must be completed, signed by the claimant, and be approved, be paid monthly together with the relevant allowance.
- 9.1.2 The Claimant shall be informed of his/her claim should it be approved with changes or disapproved by the person responsible for approval of claims within seven days of approval or disapproval.
- 9.1.3 The following documents must be attached to the claim form for subsistence and travelling claim:
 - Copy of invitation or attendance register with clear description of venue for the event attended by the representative.
 - Copy of completed and approved trip authorization form with its annexure/s where applicable.
 - Claims for toll gates and parking fees must be accompanied by valid receipts
 - Claims that will be submitted for internally hosted functions are to be accompanied by a signed attendance register
- 9.1.4 S & T claims must be submitted in the following/same month of the business trip for payment purposes before the 15th of that month.
- 9.1.5 All S & T claims not submitted within a period of three (3) month period after the event/travel shall be forfeited.
- 9.1.6 S & T expenses of any employee / councillor shall be defrayed from the relevant vote of the department in which the employee is appointed irrespective of the reason for official travelling.
- 9.1.7 S & T claims not submitted within the same financial year except the claim pertaining to the last month of the financial year will be automatically forfeited.
- 9.1.8 Standard kilometres designed by the municipality and Department of Transport rates for both councillors and staff will be used to calculate reimbursed allowance, in the event that a destination is not on the standard list of Standard kilometres then the provisions of a distance calculator shall apply.
- 9.1.9 Total distances to be claimed will be from Mount Frere (to and from), including travel from hotel to meeting or related event.

10. INTERNATIONAL TRAVEL

Where a councillor / official is required to visit a destination outside Africa, outside South Africa but within Africa and all other international trips the following shall apply:

10.1.1 All hotel costs up to 250 US\$ per day (this will not apply where hotel costs are paid by the host Country or sponsor) plus a daily allowance calculated as follows: -

60 US\$	Where three meals are included in the hotel costs
80 US\$	Where two meals are included in the hotel costs
100 US\$	Where one meal is included in the hotel costs
120 US\$	Where no meals are included in the hotel costs

Payment to be made in Rands to enable the traveller to purchase the equivalent of the afore stated US \$.

10.1.2 The allowance is also claimable in advance of travel in the case of travelling abroad.

10.1.3 The value of funds paid per day to the Council's representative by the hosting country/organization be disclosed.

10.1.4 Where a councillor /official is required to visit a destination outside South Africa but within Africa, the same amounts must apply.

10.1.5 Within the boundaries of the Republic of South Africa and outside the Republic all councillors and Officials are to travel Economy Class. This will however depend on whether the host nation pays for air travel.

10.1.6 Where actual amounts/rates are listed during the compilation of the Policy, it must be borne in mind that they are subject to change from time to time based on decisions made by Council.

11. VALUE ADDED TAX

- Value Added Tax (VAT) is accounted for on the accrual basis as envisaged in the VAT Act of 1991.
- The VAT fraction will apply on VATABLE supplies as defined within the VAT Act.
- The fraction applicable is "15/115", until further advised by the finance minister.

INPUT TAX

- Only supplies made in the course or furtherance of carrying on of municipal activities (referred to as taxable supplies) are subject to VAT.
- Only VAT on expenses incurred which can be directly attributed to the purpose of consumption, use or supply while making taxable supplies, can be deducted as input tax in full.
- Where the VAT on expenses cannot be directly attributed to the making of taxable supplies, only a fair and reasonable proportion thereof can be deducted as input tax.

OUTPUT TAX

A single charge is levied by the municipality for rates and other supplies of goods or services such as:

- (i) drainage, removal or disposal of sewage or garbage and or.
 - (ii) goods or services that are incidental to, or necessary for the supply of those goods or services, to that owner:
- A VAT 201 will be submitted to the South African Receiver of Revenue (SARS) monthly on or before the 25th of every month.
 - The VAT 201 return shall be prepared by the Expenditure accountant, reviewed by the Assistant Manager: Expenditure and approved by the Deputy CFO / CFO.

12.COMMENCEMENT OF THE POLICY AND INTERPRETATION OF THE POLICY

- 12.1. The policy will come into effect on the date of adoption by Council. All words contained in this policy shall have the ordinary meaning attached thereto unless the definition or context indicates otherwise.
- 12.2. Any dispute on interpretation of this policy shall be declared in writing by any party concerned.

- 12.3. The Municipal Manager shall give a final interpretation of this policy in case of written dispute.
- 12.4. If the party concerned is not satisfied with the interpretation, a dispute may then be pursued with the South African Local Government Bargaining Council.

13. PERMANENT/TEMPORAL WAIVER OR SUSPENSION OF THE POLICY

- 13.1. This policy may be partly or wholly waived or suspended by the Municipal Council on temporary or permanent basis.
- 13.2. Notwithstanding clause No. 13.1 the Municipal Manager/Council may under circumstances of emergency temporarily waive this policy subject to reporting of such waiver or suspension to Council.

14. COMPLIANCE AND ENFORCEMENT

- 14.1. Violation of or non-compliance with this policy will give a just cause for disciplinary steps to be taken.
- 14.2. It will be the responsibility of Council to enforce compliance with this policy.

15. AMENDMENT AND/OR ABOLITION OF THIS POLICY

- 15.1. This policy may be amended or repealed by Council as it may deem necessary.

APPROVAL OF THE POLICY

The Municipal Council has approved the amendments thereof.

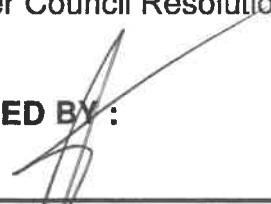
AUTHENTIFICATION

The amendments of the policy and or the new policy was adopted by the Council on the

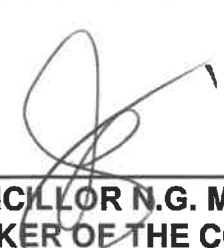
28 May 2026

As per Council Resolution number: LLMC !088

SIGNED BY :



MR. G.P.T. NOTA
MUNICIPAL MANAGER



COUNCILLOR N.G. MDZINWA
SPEAKER OF THE COUNCIL

